

2 | Feature

IN THIS ISSUE:

Accountability Leadership by Gerald A. Kraines

To most of us, accountability has painful connotations. Too often senior managers have invoked it as a way of getting things done that they themselves don't know how to do in our less-than-perfect organizational systems and structures. Yet holding people accountable after casually tossing a goal or task to them—without setting the context, securing the necessary resources, and providing the proper structure—is destructive and can lead to sub-optimal performance.

Gerald Kraines rehabilitates accountability by clearly defining both employee and managerial obligations for delivering outputs and maximizing value in an organization. He introduces a systemic way of thinking and acting that greatly increases a manager's effectiveness called "LEAD"—leverage, engagement, alignment, and development. In this managerial-leadership practice, managers *leverage* their people to their highest levels of achievement by *engaging* enthusiastic commitment in their work, *aligning* that commitment by constructing a powerful context to convey management's thinking and intentions, and effectively *developing* their employees' capabilities.

7 | Toolbox

Boosting Productivity, Quality, and Well-Being by Steve Randall

In this age of "results-driven" businesses, companies might want to reconsider how they boost worker productivity and improve the bottom line. Rather than focusing on technological fixes and innovations, reorganization, and downsizing, improving employees' work capacity may be the key to sustainable business success. By improving our level of involvement in our work—how we think and feel about it at any given moment—instead of focusing on the steps we go through to accomplish it, we can increase productivity, quality, and well-being all at once.

9 | Systems
Stories

Lessons from the "Cutting Edge" by Nancy Oelklaus

Successful companies create workplaces where people want to be as well as to meet—and even exceed—business objectives. At Innu Salon, a commitment to employee learning has created a virtuous cycle of sustainable business success. By engaging in a powerful process, including attending weekly education sessions and generating reports that forecast the next trend in hair design, skillful and motivated employees provide high levels of customer satisfaction; in turn, satisfied customers tell their friends about the salon, and financial success reinforces the commitment to employee development.

10 | From the
Resource
Shelf

A Systemic Approach to the Challenges of Our Times by Janice Molloy

In his latest book, *The Hidden Connections: Integrating the Biological, Cognitive, and Social Dimensions of Life into a Science of Sustainability*, renowned physicist and award-winning author Fritjof Capra spans the course of life on Earth, from the origins of the first protocells to the present day, to develop "a unified view of life, mind, and society." His underlying premise is that all living systems—including social systems—exhibit similar patterns of organization. By understanding these patterns, we can improve how we run our businesses as well as ensure that our institutions support the web of life of which we are a part.

12 | Pegasus Notes

Pegasus's Greatest Hits



ACCOUNTABILITY LEADERSHIP

BY GERALD A. KRAINES

What comes to mind when you hear the word “accountability”? If it is something along the lines of “who gets the blame,” “being called on the carpet,” or “getting set up as the fall guy,” then you are like most people. To most of us, accountability has painful connotations.

Why has accountability, which is merely a principle of sound managerial practice, gotten such a bad rap? Senior managers have too often invoked it as a way of getting things done that they themselves don’t know how to do in our less-than-perfect organizational systems and structures. Sometimes this dubious ploy actually works. After all, when their boss says, “Just get it done!” many people can—through sheer willpower, brute force, and long hours—overcome managerial abdication, systemic dysfunctionality, and structural flaws. But the wear and tear burns people out and suboptimizes the whole.

As a managerial technique, holding people accountable after casually tossing a goal or task to them—without setting the context, securing the necessary resources, and providing the proper structure—is destructive. It generates negative emotions and behaviors and a widespread negative response to the proper and requisite notion of accountability. Nevertheless, accountability leadership is crucial for managers to move forward to more productive ways of doing business.

Rehabilitating Accountability

As a first step in rehabilitating accountability, I give you the following accurate, useful definition of the concept: “Accountability is the obligation of an employee to deliver all elements of the value that he or she is being compensated for delivering, as well as the obligation to deliver on specific output commitments with no surprises.”

The essence of *employee accountability* becomes clear by comparing the role of an employee with that of an independent contractor. A contractor is accountable for delivering a measurable, usually quantifiable, product, service, or result. Repair the roof. Install a phone system. Collect past due accounts. In the process, the contractor has the absolute right to be paid as long as you receive the value you requested. He is left on his own to create his own processes to secure resources, generate efficiencies, and produce results.

Employees, on the other hand, are accountable for delivering value consistent with the total requirements of their role while coordinating with other company processes and functions. In turn, they have the right to be compensated at a level consistent with the value they contribute. Employees are (by law!) paid every day, come what may. They also typically receive training, development, and benefits. But in order to follow through with their commitments, they need the appropriate resources, support, and guidance about expectations about their performance.

Fixed vs. Relative Accountabilities

Thus, in an organization, the term “accountability” refers to an employee’s obligations, some of which are fixed and some of which are relative. *Fixed accountabilities* comprise the employee’s obligations to deliver outputs and to use resources and processes precisely as specified by the employer. They are necessary to keep processes in control and can be summarized in two distinct categories:

- *Commitment.* Employees must fulfill the output commitments exactly, in terms of quantity, quality, and time

parameters, as defined in their assignments, projects, services, and other deliverables—unless the manager agrees to adjust them. Under no circumstances can the employee surprise her manager at the due date with changes.

- *Adherence.* Employees must simultaneously observe and work within defined resource constraints—that is, the rules and limits established by policies, procedures, contracts, and other managerial guidelines, as well as by law.

Relative accountabilities have to do with the employee’s exercise of judgment to maximize value; they include the following four categories:

- *Reach.* Employees are expected to add as much value as they can by signing on for ambitious yet achievable targets, rather than hanging back or committing to “low-ball” goals.

- *Fit for purpose.* Employees must continually strive to ensure the optimal means of producing appropriate outputs that support the purpose for which the outputs were designed in the first place.

- *Stewardship.* Employees must manage company funds and other resources efficiently and seek ways to continually improve and conserve those resources, wherever possible.

- *Teamwork.* Employees must recognize that it is the concerted effort from and between everyone that generates profit in any organization, rather than isolated efforts to maximize personal output. Therefore, an employee must accommodate other people’s work across the organization to maximize the total organizational value—even if her job becomes more difficult in the process.

Many managers do a poor job of defining, explaining, and gaining commitment to fixed accountabilities with their subordinates and holding them to

those commitments (see “Management Terminology”). Even more fail to properly explain relative accountabilities and to accurately assess their subordinates’ effectiveness in delivering on them. For that reason, some managers over-budget expenses so they’ll look good next year; some salespeople sell customers more than they need, just so they’ll reach their sales quota this year; some operating personnel pay too much for materials because it’s easier than shopping around—all are failing to fulfill their relative accountabilities. Clearly articulated relative accountabilities are the antidote to the pursuit of narrow goals, waste of resources, and lack of team play that renders so many employees, and their companies, ineffective.

QQT/R

Managers’ accountabilities include some that are unique to the managerial role. Chief among them is being clear with their subordinates about what (the quantity and quality of output) they are expected to deliver and how much time they have to deliver it. Managers are also accountable for providing the resources employees need to complete their assignments.

In virtually any environment, when I ask employees how clear their managers are about *what* they are accountable for getting done, most will say, “Not very.” In manufacturing, for instance, a supervisor may specify an increase in quantity but not the acceptable reduction, if any, in quality. Yet statistical process control and just-in-time working require unambiguous clarity about accountabilities and the interaction between quantity, quality, time, and resources.

Many managers assume their subordinates know what they are accountable for, not realizing the tension and anxiety they inadvertently cause by failing to be clear. Typically, a highly responsible subordinate will make her best guess at reading her boss’s mind, hoping to be in the right ballpark. Then, a few months later when she gives him a progress report and he says, “That’s not at all what I wanted,” she ends up feeling frustrated and distrustful.

MANAGEMENT TERMINOLOGY

People often have difficulty with the words used to describe accountability relationships within organizations, such as “hierarchy” and “subordinates.” But in a managerial system, some people—managers—are accountable for what their employees—their subordinates—do. That is an accountability hierarchy. People tend to equate the term “hierarchy” with bureaucracy, command and control, and rigidity. That perception has emerged because we so often have to deal with bad hierarchies. A good hierarchy is just the opposite; it creates the conditions in which people know what they are accountable for, can exercise creative initiative, and have the authority to be successful.

Management scientist Elliott Jaques has developed a small but powerful tool that can be useful for clarifying fixed accountabilities: QQT/R. The slash in QQT/R does not indicate arithmetic division; it merely separates employees’ output accountabilities (quantity, quality, and timeframe) from their resource constraints (see “QQT/R”). This expression is the simplest way for managers to accurately define assignments that they are delegating to their subordinates.

QQT/R creates unequivocal clarity regarding obligations. The formula puts all four variables on the table so managers and subordinates can examine, discuss, adjust, and commit to each one explicitly. The variables are both independent and interdependent, summing up real-world constraints and possibilities and exposing potential tradeoffs among them.

With the tradeoffs out in the open, managers and their subordinates are positioned for a hard-hitting, objective conversation about the manager’s goals and resources and the employee’s ability to meet those goals given current conditions. When this process is ignored or done haphazardly, employees are saddled with their managers’ unrealistic or unfair expectations, and managers delude themselves with their employees’ acquiescent or deceptive commitments to fulfill those expectations. When managers extract so-called stretch commitments from employees that are obviously unobtainable, or when they fail to provide adequate resources for an effort, employees know what’s happening and feel they’ve been taken. Similarly, when employees won’t commit to challenging goals, they are sabotaging their managers and their company.

Some managers fear that tools such as QQT/R inhibit initiative and creativity. But QQT/R does just the opposite, because it inspires employees to figure out *how* best to deliver on their commitments—not to decide *what* they are to deliver. The best employees delight in improving processes and conserving resources while hitting their QQT objectives. QQT/R should not be construed as top-down either. It should be the outcome of active, vigorous, two-way discussion between managers and their subordinates.

Other managers initially believe that QQT/R cannot be applied to people in analytical or research positions or other areas of knowledge work. Our clients involved in research, product, technology, and market development, as well as similar functions, don’t use QQT/R just to define results per se. They also use it to mutually define the processes, steps, and resources that must be developed in order to yield the intended results (see “A Technology QQT/R” on page 4).

QQT/R is not meant to be a straightjacket or a rigid set of rules. Rather, it is a useful tool for managers

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Q Q T / R

QQT/R stands for:

Q₁=Quantity

Q₂=Quality

T=Time

R=Resources

A QQT/R refers to the quality, quantity, and timeframe of a deliverable, and the resource constraints surrounding it, to convey real-world constraints and possibilities.

A senior vice president of R&D gives an assignment to her subordinate, a vice president of new technology development: Given that our long-range plan calls for bringing our third-generation products to market by 2010, I need you to develop or acquire new technologies by 2008 that will support the design of these products. You will need to work with the vice president of business development over the next two years to characterize:

- The types of technologies, both the science and applications.
- The centers currently engaged in research about them.
- Other companies that we could license technologies from, acquire, or create a joint venture with.

In addition, you will need to identify the types of skill sets and level of people we will need to recruit, hire, and develop over the next five years in order to have a team capable of converting those core technologies into practical-application vehicles.

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and employees to use in developing clearly articulated, mutually agreed-upon commitments. It is the most efficient means of ensuring that the output delivered to managers is really the output they wanted. Significantly, QQT/R captures some of the managers' accountabilities as well as those of employees by defining the resources the manager commits to deliver.

Yet being clear about the QQT/R does not capture all managerial accountabilities. In addition, managers must provide their subordinates the support and working conditions they need to deliver on their accountabilities. This support may include coaching subordinates to enhance their effectiveness and providing constructive feedback. The bottom line is that a manager is accountable for her subordinates' outputs. She cannot blame her inability to deliver her commitments on her subordinates' failure to meet their targets. You might

say the manager's credo for the 21st century must be: *No excuses about your subordinates' QQT/Rs! No surprises about your own!*

Accountability and Authority

Managers must also be accountable for giving subordinates the authority they need in order to deliver on their obligations. Holding employees accountable for achieving a goal that they haven't been given the authority to achieve is what I call "managing for fantasy." Invariably, doing so generates stress, frustration, and resentment in employees. Even when the result is obtained, it is usually at the cost of suboptimizing overall organizational results (see "Managing for Fantasy").

The reverse of this problem—authority without accountability—is also prevalent. For example, an employee may be given authority over processes, people, or other resources but not held accountable for how well he or she manages or what results are

achieved. When that happens, the employee eventually becomes self-absorbed and develops a sense of entitlement. In this fantasy culture of undisciplined performance and variable teamwork, one's attitude is always "me first, productivity second."

Accountability vs. Responsibility

Another common mistake is confusing accountability with responsibility. In the purest sense, responsibility is what an individual demands of himself or herself. It has to do with one's conscience, aspirations, and internal standards. Accountability has to do with specific obligations one has to another individual based on mutual commitments each has made to the other. Unfortunately, most organizations use these words interchangeably as a way to make people feel accountable when they don't actually have the necessary authority.

When employees are unclear about or lack the authority they need to deliver on their accountabilities, they fall back on their own sense of personal responsibility. Because most companies have highly responsible employees, those employees take it upon themselves to get the job done, usually at considerable cost to themselves and their coworkers. As a consequence, they always end up suboptimizing overall organizational effectiveness.

For example, a client of ours in the metal fabricating business asked me to talk with their newly promoted assistant superintendent Sam Travers, a 12-year veteran. Since the promotion, Sam had grown irritable and disruptive. His leadership style included yelling, threatening, cursing, and even kicking cans around. After talking with Sam, I found him to be courteous, reasonable, intelligent, and mature. If anything, he was fully aware of his so-called accountabilities—and chief among them was keeping his area's machines operating at 80 percent of capacity, or more. However, the machine operators were subordinate to their shift supervisors, not to Sam, and they feared their supervisors would dock their pay, write them up, suspend them, or fire

MANAGING FOR FANTASY

Marie Flynn*, an editor at an economic consulting firm, was accountable for getting an update on the U.S. economy out to clients by the tenth day of every month. She found this goal difficult, and at times impossible, to accomplish because the economists who wrote the articles for the update rarely finished their pieces on time. Both Marie and the economists were subordinate to the chief economist, Mike Whitfield. When Marie told Mike that she couldn't get the update produced on time unless the economists got their articles to her on schedule, Mike said, "Crack the whip!" Marie asked incredulously, "What whip?" Mike casually replied, "Just tell them if they don't get their articles in on time, you can't get the update out on time." Of course, the editor had told the economists that many times before. Yet Mike would not hold them accountable for having their articles finished on schedule. And Marie, who had no authority over the economists, remained thwarted until the day she resigned.

*To protect client confidentiality, I've used pseudonyms in examples drawn from the practice of The Levinson Institute.

them if a machine broke from being cranked too high. The supervisors, busy fighting fires elsewhere, told Sam to handle the problem himself. Only by screaming at the operators could Sam get them to work faster. He had no managerial authority over the operators yet he felt responsible for getting those machines running at 80 percent or better.

An employee who is working hard but not getting the intended results, or who is achieving results only at considerable cost to coworkers, subordinates, or the larger organization, is probably acting responsibly. With such individuals, you must first review their accountabilities and set them in the context of overall company goals. The next crucial step is to ascertain whether the person has both the commensurate authority and the resources to get the job done. Gaps in the accountability-authority equation may be resolved simply or may require rethinking the alignments in your structures and processes.

LEAD People to Accountability

So what is the solution to this accountability crisis? How can we build accountability leadership in our organizations? The four cornerstones of accountability leadership are “LEAD”—leverage, engagement, alignment, and development. LEAD represents a systemic way of thinking and acting that greatly increases a manager’s effectiveness. It starts with the concept that managers exist to *leverage* people’s potential so that they can achieve more than they could alone. To get this leverage, managers must *engage* their employees’ enthusiastic commitment and ensure that they are in *alignment* with the organization and one another. To maintain leverage over the long term, managers must *develop* their people’s capabilities so they can apply their full potential to the work of the organization.

Let’s look more closely at each element of the system:

Leverage. In an accountability framework, managers are hired to leverage the creative capabilities of their people to make the total result

of their contributions greater than the sum of the parts. A lever is a simple tool that enables someone to lift a heavy object higher than he could on his own. Similarly, leadership, when properly practiced using the levers of engagement, alignment, and development, enables people in a company, department, or team to accomplish something that would not otherwise be possible.

The key for managers to become effective leaders is to understand *what* they are leveraging. They’re not leveraging employees’ fixed accountabilities—the defined assignments and the rules of engagement surrounding the

To help employees exercise judgment, the most important leadership practice a manager can deploy is setting context.

assignment—but rather their relative accountabilities—the value added by their application of judgment and discretion. In other words, managers must fully leverage the collective mental force of their people in order to elevate the whole organization’s ability to deliver value to the customer and, ultimately, to the shareholder.

To help their employees exercise their judgment, the most important leadership practice a manager can deploy is setting context. Doing so consists of including your subordinate in your own thinking and in your manager’s thinking, and then incorporating your subordinate’s thinking into your own. This approach improves upon the quality of a manager’s plan and it helps a subordinate to think, plan, and make adjustments intelligently—that is, in a way that best supports the bigger picture.

Engagement. Effective managers engage commitment by understanding what goes into a healthy “psychological contract,” a term coined by Harry Levinson in the 1950s to describe how managers understand and create the conditions necessary for people to feel supported and successful. This contract represents an implicit—often unspoken—under-

standing and agreement on what the company will provide, and what the employee will provide, to make the relationship work. It is not to be confused with an employment contract, a legal device detailing what employers and employees owe each other. Rather, the psychological contract rests upon a foundation of mutual commitment to each other’s success.

Negotiating strong, mutual, and reciprocal contracts requires that managers attend to what their employees value, how they define success, and what demonstrates to them that the organization supports their pursuit of success. As a general rule, employees perceive their companies as being committed to their success when they provide:

- A safe, healthy work environment
- Respectful, trustworthy relationships
- Regular opportunities for providing input to the organization, its goals, and one’s own assignments
- Valuable, personally meaningful, and challenging work
- The resources and authorities necessary to meet accountabilities
- Assistance in reaching one’s full potential within the organization
- Recognition and appreciation of one’s contribution
- Fair compensation
- A commitment to organizational success and perpetuation

If an employee—or your entire workforce—fails to demonstrate the level of engagement sought, use the preceding list as a diagnostic checklist. Invariably, at least one and usually more of these elements will be missing. This shortcoming is your clue to remedial actions that you might take.

Finally, it’s worth mentioning that context setting and QQT/Rs are part of the psychological contract. Employees prefer clarity, not vagueness. The very process of jointly defining intentions and ambitious and attainable QQT/Rs creates engagement.

Alignment. Employees are aligned when they understand the relationship between their activities and goals and those of their organization, managers, and coworkers—and then act on that understanding. Alignment

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enables employees to best use their judgment to craft, with others, the day-to-day, often minute-to-minute adjustments that will best support management's thinking in light of changing conditions.

Alignment ensures that employees are not only accountable for accomplishing their own individual missions—the QQT/Rs—but that they deliver their accountabilities in such a way that ensures they fit into, and support, the whole. With that framework, employees can be expected to chart and continually adjust a course to reach optimal solutions—together. So by setting context, a manager brightens the light on the areas where employees should focus and dims it on areas where they do not need to do so.

To be most useful, context must be translated into a fully articulated decision-making framework within which subordinates can make optimal tradeoffs. This framework guides subordinates when they must make decisions involving key dimensions such as revenue, costs, profits, quality, quantity, timeliness, customer satisfaction, or an objective such as winning a new market. Within such a framework, employees not only understand the context in terms of their manager's thinking and intentions, but they also understand the umbrella of alternative logic within which they must operate.

Development. Employee development, as a continual, career-long process, represents the surest path to a workforce that functions with enthusiastic commitment at its full potential. If there truly is a talent gap and companies cannot find and retain enough high performers, then senior executives need to start taking employee development seriously. This means understanding what development entails, creating a talent-pool development system, and holding each manager accountable for effectively developing her own employees—both in role and in careers.

To fully develop an employee's potential, you need to have a good idea of what that potential is. The purest handle you can get on an

employee's potential involves assessing his ability to handle complexity. This point is quite important, because position levels in organizations are closely related to the complexity of the tasks and the kind of judgment involved in the work of those positions.

Broadly, the tasks of employee development fall into two areas: developing subordinates in their current positions (through coaching) and developing subordinates to improve their fit for higher-level positions in the future (through mentoring). In other words, managers must be accountable for coaching their immediate subordinates and for mentoring their subordinates' subordinates.

What It Takes to LEAD

The system that I have labeled LEAD lacks the iron-fist approach of the old command-and-control style of management, as well as its paternalism and its limited view of employee potential. LEAD also eschews the passive approach associated with employee empowerment, self-directed work groups, and similar laissez-faire reactions to command and control.

Instead, LEAD begins with a clear mandate for managers to leverage their people to their highest levels of achievement, as individuals and as a group. LEAD recognizes that managers will draw forth employees' best efforts not by the unilateral issuing of orders, but by enthusiastically engaging their employees' commitment in their work. Furthermore, LEAD aligns those efforts when managers construct with their subordinates a powerful context—conveying management's thinking and intentions—as well as practical decision-making frameworks. And finally, LEAD looks to the long-term value of the individual and the organization by holding managers accountable for effectively developing their employees to their fullest potential.

To implement LEAD, you need a clear view of your managerial role, the flexibility to adopt new viewpoints, and the patience and intelligence to learn new skills. You also need the energy and commitment to work with yourself and your people, to try and

fail and try again until the system becomes part of your everyday managerial-leadership practice. In addition, you need the courage to establish LEAD as an accountability for every manager and to assess each manager's value—and right to remain a manager—against this standard. Implementing accountability leadership does require hard work, but I fervently believe that business leaders and managers who undertake it can use LEAD to their competitive advantage. ■

This article was excerpted and adapted from the book *Accountability Leadership: How to Strengthen Productivity Through Sound Managerial Leadership* by Gerald A. Kraines (Career Press, 2001).

Gerald A. Kraines, M.D., is president and chief executive officer of The Levinson Institute, a Boston-based management consulting and leadership-development firm, whose mission is to improve the practice of leadership and realize the human potential of business organizations. He is also on the faculty of the Harvard Medical School and has written extensively on diverse subjects including brain chemistry, mental-health administration, stress in the workplace, and the role of hierarchy in creating highly adaptive and accountable work systems.

NEXT STEPS

If you are a manager, there are some straightforward leadership practices, based on the LEAD system, that you can initiate in your own company today with only a little investment in study and practice.

- Establish open and honest two-way communication.
- Set context.
- Define accountabilities clearly and delegate the commensurate authority.
- Assess subordinate effectiveness.
- Give matter-of-fact feedback to subordinates.
- Call to account subordinates when they fail to meet commitments, when they fail to adhere to limits, or when they fail to deliver value.
- Develop, recognize, and reward employees when they do add value.

2002 Conference Recordings

Plenary Sessions

A Changing Leadership Paradigm for the 21st Century: Linking Reflection and Action

Joseph Jaworski, Adam Kahane, Claus Otto Scharmer, Peter Senge

"Change is in the air. Something is coming to an end; something is beginning. It is a shaping time in our nation and in the world. We have an opportunity for a new cast at history."

—John Gardner, 2001

When Peter Senge published *The Fifth Discipline* in 1989, it fundamentally shifted our thinking about the nature of leadership, work, and change. We came to recognize learning, systemic understanding, and healthy collaboration as key sources of competitive advantage. Now more than a decade later, the work that Peter started has evolved even further. Enlightened leaders are recognizing that organizational transformation is inextricably linked to personal transformation, as well as to changes in the larger ecosystem in which an organization operates. That is, businesses and other enterprises cannot change in a meaningful way unless their leaders develop self-awareness and the ability to foster leadership in others. As we grapple with the complex challenges of the 21st century, we're coming to realize that each of us has the capacity to sense, and then actualize, the highest future potential for ourselves, our organizations and communities, and the world.

Sounds lofty and grandiose? Maybe. But the speakers in our closing session will offer tantalizing new ideas about building effective individual and collective leadership. Listen to Peter Senge talk about his deepening understanding of leading change in an increasingly turbulent world. Hear Otto Scharmer share his extensive research about "presencing" emerging futures through in-depth interviews with thought leaders around the world about the blind spots of leadership. Find out about Joseph Jaworski's entrepreneurial endeavors in creating organizations like the American Leadership Forum and the new Global Institute for Responsible Leadership. Discover from Adam Kahane how

multi-stakeholder leadership groups in South Africa, Guatemala, the United States, and elsewhere have used scenario planning as a tool not just to prepare for the future but to shape it for the better. Then join the panel as they present a new toolset for fostering transformation on both a local and a global scale. • 320 minutes

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Generative Learning: Transforming Our Schools to Transform the World

Stephanie Pace Marshall

In our obsession with information acquisition, individualism, and competition, we have allowed our schools to become far too small. But education cannot serve the needs of future generations unless it sees as its work the creation of a compassionate and sustainable world that works for *everyone*. To develop a new global consciousness, we must move away from *prescriptive* and toward *generative* learning—a paradigm that values concepts such as the interconnected web of life, integrative ways of knowing, community, and moral action. Through this new system of teaching and learning, pioneering educational leaders can foster the fullness of children's intellect as well as their creativity and spirit. By authentically inviting children into the essential questions of the human experience, we can make our schools much bigger and our world much richer. • 50 minutes

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Learning Paths

LP I Focus on Leadership: THREE Through Complexity to Results SESSIONS

Glenna Gerard and Mitch Saunders

How leaders respond to profound dilemmas often determines an organization's or community's fate. Whether crafting business strategies or leading people to create intended results, we face realities that are changing continually, quickly, and often unpredictably. To lead with impact and effectiveness in this landscape requires new and at times unconventional leadership choices. The central theme of this learning path is discovering, embodying, and implementing these choices. In these sessions:

- Explore ways to tap internal calmness and resourcefulness at will.
- Recognize what is ending and what is emerging in terms of products, services, organizational architecture, and your own leadership style.
- Test prototypes and future scenarios, and gain experience with learning from those whom your decisions and actions will affect.
- Learn how to surround yourself with people who support you, bring diverse perspectives, and speak with a commitment to honesty.

Here is your opportunity to experiment with new approaches for leading with effectiveness and grace. • Approx. 260 minutes.

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LP2 Systems Thinking in Action

THREE Kristina Wile, Michael Goodman,
SESSIONS David Peter Stroh, and Andrew Jones

Systems thinking—seeing the underlying structures that drive our behavior—is a key management skill for the 21st century. Understanding the power of structure can let leaders unlock their organization's potential and avoid unintended consequences. In this path:

- Learn why systems thinking is the keystone of organizational learning.
- Through hands-on activities, practice basic causal looping skills and experience the dynamics of structural traps.

- Build a foundation of systems thinking knowledge and begin to "dance" with the complex issues in your organization.
- Understand the leverage in computer modeling for exploring potential future scenarios and experimenting with how to intervene in the system.

For those new to the field, this path presents an excellent opportunity to explore the vocabulary and tools of systems thinking and their application to organizations in ways geared to all types of learners. • Approx. 190 minutes

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LP3 Today's Organizational Learning: THREE For Individuals, Teams, and SESSIONS Organizations

Marilyn Paul, Joel Yanowitz, and Steve Ober

Explore the tools of organizational learning through three lenses: the individual, the team, and the organization. In these sessions:

- Discover how you can become a learner within an organizational context. Observe how your thinking shapes your experience; learn how to ask powerful questions; consider how to look at the unintended consequences of your actions; and perhaps make a commitment to living differently.
- Learn how you can work with your team to get great results by exploring the personal and organizational dynamics that can limit performance. Gain experience in institutionalizing a culture of learning by developing well-designed structures and processes.
- Practice the "original" five disciplines—systems thinking, personal mastery, team learning, shared vision, and mental models—made stronger by an updated framework. Discover how this powerful, integrated set of capabilities can enhance your own and your organization's overall effectiveness.

Developing this personal capacity will enable you to create and sustain productive change. • Approx. 210 minutes

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Order #T0227SC (CD set @ \$45.90)

Concurrent Sessions

A02 Practical Stewardship: Leadership and Complexity on a Human Scale

John Dicus, CornerStone Consulting Associates

Many leaders struggle to act responsibly while growing and sustaining their organizations. Practical Stewardship is a model for managing complex systems that brings the essential concepts of stewardship to the human level, providing the skills and mindset you need to redefine your role in leading change. Discover how to simplify complex situations and learn daily practices to assess personal and organizational development. Explore ways to lead beyond your current limits through the seven competencies for sustainable growth—courage, systems knowledge, balance, patience, values, community, and service. • 75 minutes

Order #T0202 (audiotape @ \$19.95) Order #T0202C (CD @ \$22.95)

C01 From Riots to Resolution: Engaging Conflict as a Source of Vision and Reconciliation

Jay Rothman, The ARIA Group, Inc.; Chris Soderquist, High Performance Systems, Inc.

Social conflict is both a cause and result of systemic issues like “vicious cycles” of violence. However, when effectively engaged, conflict can be a rich source of shared vision for change. This workshop discusses a year-long systemic intervention to heal the city of Cincinnati in the wake of the 2001 riots and foster a national model for reconciliation. The session includes a film highlighting the “Cincinnati Police-Community Relations Collaborative,” describes the “action evaluation” methodology that was at the core of the collaborative process, and provides a systems model of the outcomes. Explore how to adapt this approach to address conflicts in your own life or work. • 85 minutes

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D01 Anatomy of a Conflict: A Systemic View of the Israeli-Palestinian Crisis

David Peter Stroh

The most recent Palestinian Intifada and the Israeli response are only the latest events in an ongoing conflict. Why is each side unable to see its own role in escalating the crisis—or its own potential for resolving it? How do international third parties unintentionally perpetuate the problem? Use a systems thinking perspective to better understand the dynamics of this conflict—and identify potential leverage points for breaking the cycle of violence and mistrust. • 55 minutes

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D04 Servant-Leadership: Does the “Soft Stuff” Really Work with Tough Problems?

Ann McGee-Cooper and Gary Looper, Ann McGee-Cooper & Associates, Inc.; Kelli Miller, Southwest Airlines

In this interactive session, learn how three companies that base their culture on servant-leadership used trust as a critical covenant when making business decisions about how to recover from market challenges. The sagging economy and the events of September 11 had a significant impact on Southwest Airlines, TDIndustries, and TXU Communications. The strong commitment of these companies to unleashing the capacity of all their associates led them to approach these challenges in very different ways than other organizations. Compare the systemic implications for an organization of traditional business models and one based on servant-leadership in times of falling profits. • 65 minutes

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BOOSTING PRODUCTIVITY, QUALITY, AND WELL-BEING

BY STEVE RANDALL

In this age of “results-driven” businesses, companies might want to reconsider how they boost productivity and improve the bottom line. Rather than focusing on technological fixes and innovations, reorganization, and downsizing, improving employees’ work capacity may be the key to sustainable business success.

In the past, efforts to increase worker productivity have involved measuring how employees spend their time in order to identify process improvements. But conventional measures often fail to take into account much of the work that we do throughout the day. Also, these measurements tend to overlook the negative effects that the drive for bottom-line results can have on employee well-being. Employees may produce a great deal during a work crunch, yet burn out in the process. Thus, the push for productivity can actually undermine individual and organizational performance.

To foster truly continuous improvement and personal satisfaction, we need ways to measure how we think and feel about our work at any given moment—no matter what task we’re doing or whether we’re changing tasks—and not just the steps we go through to accomplish it. So what tools can we use to make this happen?

Increasing Involvement

Let’s take a close look at what we do when we successfully improve productivity on an individual level. Suppose you’re preparing a speech. And you’re really involved in the process. You write down a few key ideas that you want to present, then visualize yourself giving the speech.

At this point, you feel a little puzzled about the order of the ideas. You are stuck and don’t know how to

proceed. You look at the clock and wonder if you should take a break. You feel your involvement in the task decreasing and consider ways to avoid it completely.

You’ve reached what I call a *transition point*, where your productivity can continue at a steady pace, decrease, or maybe even improve. You know that taking a break now would waste time—you’d still have to face the task when you came back and you’d have to reestablish some momentum.

Rather than focusing on technological fixes and innovations, reorganization, and downsizing, improving employees’ work capacity may be the key to sustainable business success.

So you drop your distracting thinking about escapes and concentrate on the task again. You remember being confused about the order of ideas and then realize it was actually the confusion that you wanted to avoid. This time you let yourself get confused. Your thoughts go back and forth about how to proceed, and then finally you get some insight about rearranging the ideas you want to present.

Now you’re really involved again. The flow of the work picks up and gradually accelerates. Your productivity increases beyond the level that you had achieved before the confusion arose.

What facilitated the improvement in productivity? Wasn’t it recognizing how you had previously responded to the confusion—by decreasing your

involvement and pulling away from the task? Wasn’t it necessary to distinguish productive directions from counterproductive directions, then choose a productive direction and gradually become even more involved than you had been before getting confused? Could we summarize and say that increasing productivity resulted from noticing the transition point where your involvement could either increase or decrease, and then choosing a direction of increasing involvement? Isn’t this the way that we generally improve productivity without even thinking about it?

To intentionally apply this strategy at work, try to recall a recent experience in which you weren’t completely involved in a task, just as tennis players review their recent game to look for ways to improve their stroke. Keep in mind that a high degree of involvement implies a melding of worker and task, a timeless and effortless flow of events, and an unrestricted sense of openness. If you felt any separation from your work, if you weren’t completely swept up in the energy of the project, or if you felt distracted by your work environment, you have identified a key to improving your work game. You can now consciously identify productive and nonproductive responses and choose how to proceed. Regularly noticing your level of involvement in this way provides feedback that you can then use to approach peak performance (see “Ways to Increase Individual Productivity” on p. 8).

Improving Quality

Noticing your level of involvement in a task can also be the foundation for continuous quality improvement. For

Continued on next page >

example, what else triggers us to improve a work process besides a transition point—conflict, unnecessary complexity, confusion, or wasted energy or effort? These disruptions in work flow draw our attention to processes that we can change for the better.

Similarly, we usually discern inadequacies in the resources at our disposal only when our experience of using them is disrupted or disturbed. For example, when we're driving a car, if the vehicle is functioning properly, we don't usually notice it—it virtually becomes a part of us. (Some years ago, Volkswagen advertised that their distinction as an auto manufacturer was that they considered the auto and the driver to be one.) If a race-car driver feels somewhat out of control when making high-speed turns, this disruption to the driver's sense of flow could indicate an opportunity for increasing the quality of the steering mechanism. Whenever a tool or technology does not meet our needs or expectations, we cannot be completely engrossed in the activity that requires us to use it. Identifying a resource as a source of disruption can give us the opportunity to improve our work environment.

Optimizing Well-Being

At this point you may hear a little

voice saying, "My company would benefit greatly from this approach of tracking involvement, but what would I get out of it?" The answer: your health and level of well-being should gradually improve.

Recall a time when you significantly improved your involvement in a work project by breaking through strong emotional resistance. Perhaps you found yourself avoiding a challenging new assignment that you felt uncertain about taking on.

When you overcame your reluctance and delved into the project, did you experience an immediate change in your sense of satisfaction and confidence? Did the breakthrough boost your overall outlook on your job, and maybe even on life? The more we absorb ourselves in a task, the greater our feelings of well-being as we gain a renewed sense of commitment to it.

So boosting involvement can be a powerful means for increasing both productivity and well-being. Nevertheless, some managers might fear that people could use this approach to concentrate on self-improvement and personal satisfaction at the expense of their work commitments. This objec-

tion, while understandable, is unfounded. First, efforts to increase involvement often require letting go of personal desires and preferences in favor of dedicating ourselves to focusing on and accomplishing the job. The level of fulfillment we derive from our work largely corresponds with the degree to which we fully dedicate ourselves to the task at hand.

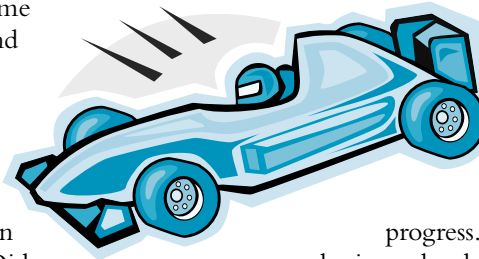
Second, the objection that tracking involvement could cause a decrease in productivity may simply reflect an organization's tactical rather than strategic approach to

progress. Businesses seem to be in such a hurry to produce and to improve this quarter's financial results that they can hardly see the possibility or importance of increasing employees' productivity over the long term. And while focusing on improving involvement may lead to slightly lower productivity in the short run, by intentionally working to resolve the conflicts that preoccupy us at transition points, our work capacity—including our awareness, available energy, and level of confidence—grows. We can then accomplish things at a faster rate and with greater levels of quality than before.

So how *can* we optimize our work efforts? Probably not by directing our attention to results, which doesn't guarantee improvement of well-being and quality. By improving involvement in our work, we can increase productivity, well-being, and quality all at once. ■

Steve Randall holds a Ph.D. in East-West psychology and is a peak performance researcher and time management consultant. His mission is to help people transform stress into usable energy (see www.manage-time.com). Steve is author of *Results in No Time* and cofounder of the Time, Space, and Knowledge Association.

A version of this article originally appeared in The Learning Curve and The Networker in January 1997.



WAYS TO INCREASE INDIVIDUAL PRODUCTIVITY

- When you're working on a task or project, notice when your attention drifts and your level of involvement declines. This is a transition point—your productivity can continue at a steady pace, decrease, or maybe even improve, depending on how you respond to the interruption in work flow.
- Take the time to identify why you're pulling away from the task. Are you uncertain about how to proceed? Distracted by other concerns? Feeling pressed for time? Aware that you should actually be doing something else?
- Identify productive and counterproductive ways in which you could proceed. What could you do to increase your level of involvement in the task? If you're overwhelmed by details, organize your thoughts by writing a quick outline, making a list, or drawing a sketch. If you're distracted by outside worries, then consciously deciding to address those concerns later may let you focus on the task at hand. The key is choosing a direction of increasing involvement.
- Later, review the experience to identify other ways in which you might have handled the distractions and increased your involvement.
- After a while, this process will become second nature!



LESSONS FROM THE “CUTTING EDGE”

BY NANCY OELKLAUS

Successful companies are led by people who put systems in place to release and focus brainpower. To do so, they create workplaces where people want to be as well as to meet—and even exceed—business objectives. Such organizations take many forms and can be found in almost any industry and community. We can learn valuable lessons about their processes and practices if we take the time to observe them—even when we’re going about our daily routine.

Innu Salon in Austin, Texas, is one such business. “Innu” is a Greek word that means “pillar.” Co-owners and marriage partners Ron Fredericks and Tiffany Rasco say, “That’s what we want to be—not just makers of money, but pillars in our community. We’re eager to add benefit for causes we believe in. We don’t want to come to the end of our career and ask why we did this—was it only for money?” Fredericks and Rasco recognize that, to achieve this goal, they must work with employees to build a sustainable business.

To that end, Fredericks has developed a powerful process to ensure that learning is continuous and incremental (see “Design for Sustainable Success”). “That way,” he says, “we don’t get surprised with a new trend and then have stress and anxiety trying to play catch up. We’re predicting the trends all along.” Here’s how the Innu approach works.

The Trend Report

Unlike in much of the fashion industry, Innu stylists are salaried and receive benefits. One of the most important benefits is a two-hour education session every Thursday morning. The shop remains closed while the stylists focus on learning and staying on the leading edge of their profession.

During six to eight of these ses-

sions each year, stylists develop what they call a “Trend Report.” Doing so keeps them focused, challenged, and inspired. It helps them build their technical and communication skills. Additionally, compiling the Trend Report serves as an education for young employees and an energizer for the more experienced.

The point of the report is:

1. To forecast the shape, texture, color, and mood of the next trend in hair design.
2. To inspire and educate stylists and clients.
3. To bring theory and creativity to life.

The Trend Report for Fall 2002 includes a spare nine lines of text, along with photos of up-and-coming hairstyles and an explanation of the styling process for each. This format keeps the learnings simple and easy to remember. The stylists summarized the rising trends this year as:

1. More geometric hairstyles
2. Bolder use of color and contrasting colors
3. Subtle use of asymmetry in weight distribution and design line
4. Strong design elements balanced with softer ones, for instance:
 - A strong undercut may have softer overlapping layers on top
 - A heavy bang might be balanced with layers
 - A strong perimeter can be coupled with a softer interior

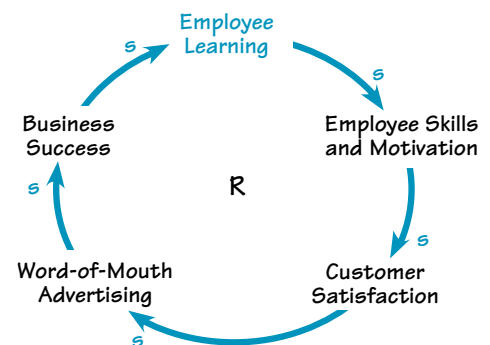
5. A fashion-forward client will be wearing these looks as early as this fall. The masses, however, will become comfortable with these elements next year or later. (Transla-

tion: Relax, you have time to learn this. We’re ahead of the curve.)

According to the stylists and owners, they arrive at such simplicity in the following ways:

1. We scour haute couture magazines and any other sources we can get our hands on.
2. We compile and categorize the strongest fashion-forward images.
3. We compare/contrast these images with trends from the preceding seasons, discerning a direction or development in the trend.
4. We brainstorm words and vocabulary to describe the images and trend.
5. Each stylist draws his or her own version of the trend on two-dimensional headsheets.
6. Using a mannequin head, each stylist then creates the look in three dimensions.
7. The report culminates with models and a photo shoot.

Continued on next page >

DESIGN FOR SUSTAINABLE SUCCESS

At Innu Salon, a commitment to employee learning creates a virtuous cycle of sustainable business success. Skillful and motivated employees provide high levels of customer satisfaction. Satisfied customers tell their friends about the salon. Financial success in turn reinforces the commitment to employee development.

➤ Continued from previous page

8. The images and information are sent out to local and national media. The Trend Report is also made available to our clients.

“Invigorating, inspiring, and fulfilling are words that the stylists have used to describe the Trend Report. They say it is their favorite part of the year because it keeps them focused and confident,” Fredericks and Rasco say. “Throughout the year, it’s satisfying to see the stylists looking through couture magazines and proudly pointing out that their hairstyle forecast is holding true.”

Feedback from clients about the Trend Report is also positive. They say that they appreciate that their hair is in the hands of professionals who are forward-thinking and continually willing to improve their artistic and technical skills. The consistency of education within the salon helps make customers comfortable with trying different stylists if their regular stylist is booked or away. Innu’s business process virtually guarantees that clients will have a good experience.

In business for only three years, Innu has greatly benefited from word-of-mouth advertising from satisfied customers. The salon is already sought out for editorial work, fashion shows, fundraisers, and beauty-school classes. The national magazine *Healing retreats*

and *Spas* featured Innu as “the best in Austin.” A local newspaper has also written favorable feature stories, as has *Push* magazine. The latest recognition came from a local TV station, which solicited the salon to do televised makeovers on the morning news show.

Lessons for Other Businesses

If you think this article is about hair, think again. It’s about business and business leaders. Leaders who know that their most valuable asset is human capacity. Leaders who develop and follow a continuous process for identifying and linking trends from outside the company’s walls with inside potential. In this way, the natural peaks and valleys that all organizations face do not deplete people’s energy. Instead, the business and its employees continue to grow slowly and incrementally, even in the face of a sluggish economy and other challenges.

What lessons might other organizations take from Innu’s example?

- Organizations are fueled largely by the brainpower of the people within them.
- Engaging all employees as equals in a process for continuous learning and change energizes the organization. In Margaret Wheatley’s words, “Information nourishes a system.”
- Employees don’t have to be experts

in research and development to scan the environment for trends. All they need is encouragement, safe space for learning, and an effective process.

- “A rising tide catches all boats”—by engaging in the data-gathering and analysis process, employees improve their individual skills and their organization’s overall reputation and capacity.
- Recognition from the outside world for the way the business operates can further energize the organization.

A process like the one described here works best when the leaders have humility—that is, their intent is pure and they strive to be authentic, neither less than nor more than they are. In this environment of honoring themselves and others for the unique value each brings, people learn and thrive because no one has to spend energy trying to please someone else. They are safe to be themselves.

At Innu Salon, the constant is the process. The variable is the change wrought by new learning. Balancing the two releases ongoing creative energy. Innu is an example of knowledge creation at its finest. ■

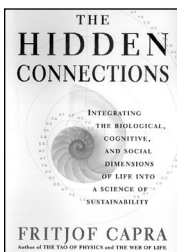
Nancy Oelklaus, Ed.D., is an executive coach in Austin, Texas. Creator of the Brain Trust for Austin, she increases and focuses individual and organizational brainpower for positive change in the workplace and beyond. She is one of the featured authors in *Appreciative Leaders: In the Eye of the Beholder* (Taos Institute, 2001).



FROM THE RESOURCE SHELF

A SYSTEMIC APPROACH TO THE CHALLENGES OF OUR TIMES

BY JANICE MOLLOY



The Hidden Connections
by Fritjof Capra

No one can say that renowned physicist Fritjof Capra shies away from a challenge. In his latest book, *The Hidden Connections: Integrating the Biological, Cognitive, and Social Dimensions of Life into a Science of Sustainability* (Doubleday, 2002), the award-winning author spans the course of life on Earth, from the ori-

gins of the first protocells 3.9 billion years ago to the present day, to develop “a unified view of life, mind, and society.” Along the way, he draws on the latest scientific and conceptual breakthroughs from across the spectrum of the physical, natural, and social sciences. His ultimate goal in this surprisingly compact volume is to “develop a

coherent, systemic approach to some of the critical issues of our time”—including corporate malaise, environmental degradation, and economic globalization.

This whirlwind journey through almost every aspect of existence might seem daunting at first, but Capra's readable style links complex revelations from the leading edge of science in a clear and comprehensive framework. Capra begins at the beginning, with an examination of the simplest living system—a bacterial cell. Based on new findings, he defines a cell as “a membrane-bounded, self-generating, organizationally closed metabolic network; . . . it is materially and energetically open, using a constant flow of matter and energy to produce, repair and perpetuate itself; . . . it operates far from equilibrium, where new structures and new forms of order may spontaneously emerge, thus leading to development and evolution.”

His underlying premise is that these traits occur in all living systems: “there is a fundamental unity to life . . . different living systems exhibit similar patterns of organization.” For example, the network is one theme that characterizes all life forms. From this perspective, the author surmises, “a human organization will be a living system only if it is organized as a network or contains smaller networks within its boundaries.” These networks, in turn, must be self-generating: “Each communication creates thoughts and meaning, which give rise to further communications. In this way, the entire network generates itself, producing a common context of meaning, shared knowledge, rules of conduct, a boundary, and a collective identity for its members.” Such “communities of practice,” as organizational theorist Etienne Wenger calls such webs, develop within the formal structure. Yet these informal structures are the ones that support learning, creativity, and change.

“Disturbing” Systems

Ensuring an organization's “aliveness” has profound implications for how managers behave. As Capra puts it, “A

machine can be controlled; a living system, according to the systemic understanding of life, can only be disturbed. In other words, organizations cannot be controlled through direct interventions, but they can be influenced by giving impulses rather than instructions.” For people to respond constructively, the “disturbances” must be meaningful to them; that is, employees need to participate in the planning process rather than be put in the role of passive recipients.

Leadership involves finding the right balance between designed structures—which give the organization stability—and emergent ones—which represent the organization's vitality.

Capra also focuses much attention on another characteristic of living systems—“emergence,” that is, novelty that results from periods of instability. He explains how this principle works in an organization: “The event triggering the process of emergence may be an offhand comment, which may not seem important to the person who made it but is meaningful to some people in a community of practice. Because it is meaningful to them, they choose to be disturbed and disseminate the information rapidly through the organization's networks.” As the information circulates, people build on it, until the organization can no longer integrate the concept into its existing structure. “At this stage, the system may either break down, or it may break through to a new state of order . . .” The resulting leap forward springs from the collective creativity of those in the organization. Capra concludes that “since the process of emergence is thoroughly nonlinear . . . it cannot be fully analyzed with our conventional, linear ways of reasoning, and hence we tend to experience it with a sense of mystery.”

Leadership, then, involves finding the right balance between designed

structures—which give the organization stability—and emergent ones—which represent the organization's vitality. By understanding the different stages of emergence, a leader can actively support the process; for instance, by nurturing communication networks, creating a learning culture, being open and honest, and valuing experimentation. At the same time, “leaders who facilitate emergence use their own power to empower others. The result may be an organization in which both power and the potential for leadership are widely distributed.”

Reshaping the Global Economy

The idea of organizations as living systems is far from new. But Capra's mission in this book extends well beyond simply applying the latest scientific discoveries to the organizational world—he builds a case for reshaping the global economy to better mirror and sustain natural processes. He cites the dire consequences of the current economic system, which he calls “life-destroying” rather than “life-enhancing”: “social disintegration, a breakdown of democracy, more rapid and extensive deterioration of the environment, the spread of new diseases, and increasing poverty.” The author places much of the blame for this state of affairs on “unfettered capitalism” and the principle that “money-making should always be valued higher than democracy, human rights, environmental protection, or any other value.”

But Capra sees signs that grassroots organizations ranging from feminist groups to the ecology movement are beginning to sway our culture in positive directions. In different ways, these forces for change are making our value system more compatible with the demands of human dignity, ecological sustainability, and life itself than it currently is. Capra might argue that this quest is his—and our—biggest challenge of all. ■

Janice Molloy is managing editor of *THE SYSTEMS THINKER*.



PEGASUS NOTES

Pegasus's Greatest Hits

Enjoy samples from the best audio and video recordings from the Pegasus Media Library. This new section on our web site features 2- to 10-minute clips of Pegasus conference recordings or productions. This month listen to excerpts from Peter Senge, Otto Scharmer, Adam Kahane, and Joseph Jaworski from their multi-part plenary session "A Changing Paradigm for Leadership in the 21st Century: Linking Reflection and Action" at the 2002 Pegasus Conference, "Leading in a Complex World: Systems Thinking in Action." To listen, go to <http://www.pegasuscom.com/mediasamples/mediasamples.html>.



FROM THE FIELD

Road Maps in Spanish

Road Maps is a series of self-study guides that use modeling exercises and selected literature to provide a resource for learning about the principles and practices of system dynamics. It is organized as a series of chapters and is being developed by the Massachusetts Institute of Technology's System Dynamics in Education Project under the direction of Professor Jay Forrester. The first nine chapters of this ongoing project are complete and available at this time. Some of the chapters are also available in Spanish; to find them, go to <http://sysdyn.mit.edu/espanol>. For the English version, go to <http://sysdyn.mit.edu/road-maps/home.html>.

Society for Organizational Learning's Global Forum

The first Global Forum of the Society for Organizational Learning (SoL) will be held June 11–14, 2003, in Espoo, Finland. The Forum will bring together about 350 practitioners, researchers, consultants, students, and others from around the world interested in organizational learning. Sessions by practitioners and world leaders in the field will cover a wide variety of topics. The theme is "Learning in Organizations: Inventing Desired Futures in a Global Society." Learning from the future rather than learning only from the past is a key competence for all of us, whether we practice in business, government, or civil society. And while we can increase our knowledge by becoming more aware of what we are accomplishing separately, many of our desired futures will only be achieved together. The gathering is an opportunity for exchange, reflection, and working together on topics of personal and global concern. For more information, go to www.solonline.org.

Happy New Year from Pegasus Communications

When we at *THE SYSTEMS THINKER* look over the past 10 issues, we feel privileged to have worked with so many people who represent the forefront of systems thinking and management innovation. In these ever more complicated times, their ideas, tools, and stories offer tangible, practical ways for each of us to make a difference in our organizations and in the world. We also appreciate you, our readers, who refuse to follow the easy road of complacency and instead choose to join us in exploring new, more effective ways of thinking and working together. We pledge to continue to offer you food for thought and guidelines for action as we continue our journey together in the new year.

For information about reading and using causal loop diagrams, go to www.pegasuscom.com/cld.html.

LEARNING QUOTES

"Give me a fruitful error anytime, full of seeds, bursting with its own corrections."

—Vilfredo Pareto

"The future is not a result of choices among alternative paths offered by the present, but a place that is created—created first in the mind and will, created next in activity. The future is not some place we are going to, but one we are creating. The paths are not to be found, but made, and the activity of making them changes both the maker and the destination."

—John Schaar

To explore the latest "At Any Rate™" learning lab, go to <http://www.pegasuscom.com/AAR/model.html>.

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